

**1989 California Adjustments****CA****Important:** Attach this schedule directly behind Form 540.

Name(s) as shown on return

Social security number

**PART I ADJUSTMENTS TO FEDERAL ADJUSTED GROSS INCOME****Step 1****Subtractions**

- |    |  |     |       |
|----|--|-----|-------|
| 1  | State income tax refund from federal Form 1040, line 10 .....  | 1   | _____ |
| 2  | Unemployment compensation from federal Form 1040, line 20 or Form 1040A, line 10 .....                         | 2   | _____ |
| 3  | Social security benefits from federal Form 1040, line 21b .....  | 3   | _____ |
| 4  | California nontaxable interest or dividend income. See instructions .....                                      | 4   | _____ |
| 5  | Railroad retirement benefits and sick pay. See instructions .....  | 5   | _____ |
| 6  | California Lottery winnings. See instructions .....  | 6   | _____ |
| 7  | Wages. See instructions .....  | 7   | _____ |
| 8  | IRA distributions. See instructions .....  | 8   | _____ |
| 9  | Pensions and annuities. See instructions .....   | 9   | _____ |
| 10 | Passive activity. See instructions .....   | 10  | _____ |
| 11 | Depreciation and amortization from form FTB 3885A, line 6a and line 10a .....                                  | 11  | _____ |
| 12 | Capital gains or (losses) from California Schedule D, line 10a .....   | 12  | _____ |
| 13 | Other gains or (losses) from California Schedule D-1, line 21a and line 38 .....                               | 13  | _____ |
| 14 | Other subtractions:  |     |       |
|    | a California net operating loss deduction from your 1988 forms FTB 3805V and FTB 3805Z. See instructions ..... | 14a | _____ |
|    | b Other. See instructions. Specify _____   |     |       |
|    | _____  |     |       |
|    | _____  | 14b | _____ |
| 15 | Total subtractions. Add lines 1 through 14b. Enter here and on Form 540, line 13 .....                         | 15  | _____ |

**Step 2****Additions**

- |    |  |     |       |
|----|--|-----|-------|
| 16 | Interest on state and municipal bonds from a state other than California. See instructions ..... | 16  | _____ |
| 17 | Wages. See instructions .....  | 17  | _____ |
| 18 | Passive activity. See instructions .....   | 18  | _____ |
| 19 | Depreciation and amortization from form FTB 3885A, line 6b and line 10b .....                    | 19  | _____ |
| 20 | Capital gains or (losses) from California Schedule D, line 10b .....                             | 20  | _____ |
| 21 | Other gains or (losses) from California Schedule D-1, line 21b and line 38 .....                 | 21  | _____ |
| 22 | Other additions:   |     |       |
|    | a Federal net operating loss deduction from your 1989 federal Form 1040, line 22 .....           | 22a | _____ |
|    | b Other. See instructions. Specify _____   |     |       |
|    | _____  |     |       |
|    | _____  | 22b | _____ |
| 23 | Total additions. Add lines 16 through 22b. Enter here and on Form 540, line 15 .....             | 23  | _____ |

**PART II ADJUSTMENTS TO FEDERAL ITEMIZED DEDUCTIONS**

- |    |  |    |       |
|----|--|----|-------|
| 24 | Federal itemized deductions from federal Schedule A, line 26 .....   | 24 | _____ |
| 25 | State and local income taxes from federal Schedule A, line 5 and foreign income taxes. See instructions... | 25 | _____ |
| 26 | Subtract line 25 from line 24 .....  | 26 | _____ |
| 27 | Other adjustments. See instructions. Specify _____   |    |       |
|    | _____  |    |       |
|    | _____  | 27 | _____ |
| 28 | California itemized deductions. Combine line 26 and line 27 .....  | 28 | _____ |

If your California itemized deductions on line 28 are larger than your standard deduction, enter your California itemized deductions on Form 540, line 17. Otherwise, enter your standard deduction on Form 540, line 17.